

INDIAN PRESS RELEASES - 1983

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8500

DEPARTMENT of the INTERIOR

news release

OFFICE OF THE SECRETARY

For Release January 7, 1983

FINAL MAJOR SETTLEMENT SIGNED WITH ALASKA NATIVE REGIONAL CORPORATIONS

Interior Secretary James Watt, Agriculture Secretary John R. Block and representatives of Chugach Natives, Inc. today signed an agreement that provides for the final major settlement with regional corporations under the Alaska Native Claims Settlement Act of 1971 (ANCSA). The State of Alaska, also a party to the agreement, will sign shortly.

"This action is a milestone in our commitment to resolve Native claims," Watt said. "It ends more than a decade of uncertainty for the Chugach people and it concludes more than two years of intense study and negotiation by the Departments of Agriculture and Interior, the Chugach Natives and the State of Alaska. This settlement is equitable for the Natives, for other Alaskans who are concerned about access, and for the public at large. This is another example of our Good Neighbor policy at work."

Secretary Block noted that the Department of Agriculture was deeply involved in the negotiations because most of the valuable and productive lands in the agreement are within the Chugach National Forest.

"Valuable timber and mineral resources from the Chugach National Forest will be exchanged to the Chugach Natives under the action," Block said. "We are looking forward to implementing the agreement with the Chugach Natives."

The agreement specifically identifies about 272,000 acres in the National Forest (about 172,000 acres), National Wildlife Refuge (about 1,900 acres) and other public areas (about 98,000 acres) that are to be exchanged to Chugach Natives, Inc. The corporation's remaining entitlement of about 106,000 acres will be identified by December of this year from lands that were selected by the Chugach Natives prior to December 1976 under the ANCSA.

(more)

The corporation, which represents Natives living along the Gulf of Alaska east of Anchorage, already has received \$3 million as part of the settlement and will get an additional \$9 million upon final execution of the agreement.

The agreement improves land management patterns in the Prince William Sound region by consolidating ownership in important areas and reducing Chugach Natives, Inc., inholdings in the Wrangell-St. Elias National Park and Preserve.

Under the agreement, more than 80 easements have been obtained from the corporation to provide for public use and access. This includes public access to certain marine shoreline areas and streams for recreational purposes. The area is highly regarded for its recreational opportunities, including fishing, hunting, kayaking and hiking. Also, more than 90,000 acres of selections will be relinquished by the Chugach Natives from within the Wrangell-St. Elias National Park and Preserve.

Because of difficulties in settling the claims of the Chugach Natives, the 1980 Alaska Lands Act provided for a special study which was the framework for today's agreement.

"Although this is the last major settlement with the 12 Native regional corporations entitled to land under the 1971 law, there is still much work to be done," Watt said. "This work will continue to be given a high priority."

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United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

IN REPLY REFER TO:

BUREAU OF INDIAN AFFAIRS
For Release January 24, 1983

Oxendine 202/343-7445

BIA AND COMMERCE DEPARTMENT JOIN TO PROMOTE AMERICAN INDIAN TOURISM

Assistant Secretary for Indian Affairs Ken Smith announced that one hundred Indian Tribal leaders, Government Policy Officials and National/International Travel Leaders will meet to discuss American Indian Tourism Thursday, January 27, 1983.

The meeting, co-sponsored by the Interior Department Bureau of Indian Affairs (BIA), and the Commerce Department U.S. Travel and Tourism Administration (USTTA), will be held at the Key Bridge Marriott in Rosslyn, Virginia.

The objective of this first such cooperative effort is to improve tribal income and reservation employment through increased foreign and domestic tourism. Workshops on marketing research, advertising and promotion, maintenance and facility upkeep, cooperation and regionalization, will be conducted by government and private sector experts.

The Seminar will begin at 8:30 a.m. Deputy Assistant Secretary for Indian Affairs John Fritz and Commerce Department Under Secretary for Travel and Tourism Peter McCoy will open the seminar. Others participating are; Congressman William Bonner of Tennessee; Author Harry Clement; Tribal Tourism Director, Author Dr. Alan Kite; President American Indian National Bank Conley Ricker; President Hilton Hotels William Edwards; Assistant Secretary for Tourism and Marketing Martin Darity; and Assistant Secretary Smith.

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REPLY REFER

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

EMBARGOED MATERIAL

Not for Release before February 1, 1983

LOVETT 202/343-7445

BIA REQUESTS \$901 MILLION FOR 1984, PLUS \$100 MILLION IN HIGHWAY FUNDS

The Bureau of Indian Affairs has asked Congress for \$901.4 million dollars for its fiscal year 1984 programs and projects. An additional \$100 million is to be provided for reservation road projects under the Highway Improvement Act of 1982 recently enacted by President Reagan.

The \$100 million roads allocation through the Department of Transportation "will create thousands of new jobs while helping the reservations build infrastructure for economic development", said Kenneth L. Smith, Interior Assistant Secretary for Indian Affairs.

Not considering this \$100 million, the 1984 request is about \$53 million less than 1983 funding. Most of this decrease is in construction of roads, and irrigation projects. The 1983 total for construction was \$110.8 million as compared to the 1984 request for \$59.9 million.

The 1984 request includes continued funding for two initiatives started in 1983. A total of \$5 million has been requested for grants to small tribes to help them acquire and maintain basic management capabilities and \$10 million for grants to encourage private sector investment, promote sound business principles and assist enterprise development on the reservations.

The request of \$249.1 million for Indian education programs reflects a decrease of \$15 million from the 1983 funding of \$264.1 million. Included in the 1983 funding, however, was a non-recurring payment of \$9.4 million to the State of Alaska for renovating former BIA schools transferred to the state system. The Bureau also expects to operate 12 fewer schools in 1984. Ten BIA Alaska village schools will be transferred to the state system at the end of the 1982-83 school year. Two off-reservation boarding high schools, Intermountain at Brigham City, Utah and Mt. Edgecumbe in Alaska, are also scheduled to be closed in fiscal year 1983.

The \$242.9 million requested for Indian service programs is a slight increase over the 1983 funding. Programs for economic development and employment assistance were increased to \$65.5 million from \$59.3 million in 1983 and the request of \$89.3 million for natural resources development is an increase of \$5 million over the 1983 funding.

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United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

IN REPLY REFER TO

FOR IMMEDIATE RELEASE

VINCE LOVETT 202/343/7445

Interior Approves First Contract Under New Indian Minerals Act

Interior Assistant Secretary Ken Smith today approved a joint venture agreement for the development of oil and gas on the Fort Peck Indian Reservation in Montana.

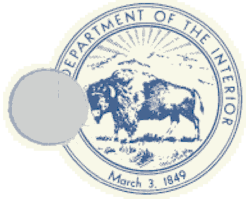
The contract between the Assiniboiné and Sioux Tribes of the reservation and the U.S. Energy corporation was the first contract approved under the new Indian Minerals Development Act of 1982, signed by President Reagan last December.

Smith said that the kind of contract made by the Fort Peck tribes and U.S. Energy "accords perfectly with President Reagan's recently issued Indian policy which calls for the development of reservation economies and the strengthening of tribal governments". He said that President Reagan promised to remove Federal restrictions from tribal governments and the "new minerals act does just that".

Until the President enacted the new law on December 22, 1982, Indian tribes were bound by the provisions of the Indian Minerals Act of 1938, which allowed only straight lease agreements.

A total of 1,360 acres of reservation land is involved in the agreement signed by the Fort Peck tribes and the U.S. Energy Corporation. Under the agreement, the company will bear the entire cost of drilling and bringing in the first producing well. Thereafter, the company and the tribes will share the net proceeds from production.

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DEPARTMENT of the INTERIOR

news release

BUREAU OF INDIAN AFFAIRS

For Release April 6, 1983

SHAW 202/343/4576

CROW TRIBE'S COAL MINING AGREEMENT WITH SHELL APPROVED

Interior Secretary James Watt approved on April 4 a coal mining agreement between the Crow Indian Tribe of Montana and the Shell Oil Company.

Under the agreement Shell will begin mining an estimated 210 million tons of coal from a 2,560 acre tract in the Youngs Creek area of the Crow reservation.

The tribe will receive \$12 million in pre-production payments and a royalty, subject to adjustment, of 12 1/2 percent. An annual minimum royalty of \$3 million, beginning in 1986, is guaranteed under the contract. The agreement also gives the tribe a 50 percent participation in an incremental profit sharing plan, but this is not expected to be implemented in the first 20 years of operation.

The agreement includes a joint venture alternative for the tribe for the subsequent development of other coal areas on the reservation. This kind of agreement was only recently allowed under provisions of the Indian Minerals Development Act of 1982, signed into law by President Reagan December 22.

After 90 percent of the coal in the Youngs Creek area is mined, the tribe and the company could develop additional tracts under the joint venture agreement. If the tribe does not want to participate, the company could exercise an option to mine additional land.

In a section dealing with tribal sovereignty issues, the agreement states that the company would pay the tribe a severance tax equal to the existing Montana tax of 30 percent, less whatever is required to be paid to the State.

Though the Crow tribe has coal being mined on land it owns outside the boundaries of the reservation, this agreement would bring the first mining on the reservation.

An environmental impact statement on the project has been completed.



DEPARTMENT of the INTERIOR

news release

BUREAU OF INDIAN AFFAIRS

For Release May 3, 1983

LOVETT 202/343/7445

BIA ALLOCATES FUNDS FOR RESERVATION JOBS PROJECTS

More than 6400 man-years of employment will be created on Indian reservations in 27 states by projects to be funded through the Bureau of Indian Affairs (BIA) with funds received under the 1983 Emergency Jobs Act, Interior Assistant Secretary Ken Smith announced today.

Smith said that tentative allocations of \$114.5 million to reservation projects had been completed and that the funds would be transmitted to Bureau area offices in the field in the next few days.

The act provided \$20 million for natural resource development on reservations; \$30 million for the Bureau's Housing Improvement Program; \$24.5 million for the construction of a high school on the Hopi Indian Reservation; \$30 million for the rehabilitation of Indian irrigation systems; and \$10 million for the repair and renovation of BIA jails on reservations.

Assistant Secretary Smith, the Administration's top Indian official, said that unemployment on many of the reservations exceeded 50 percent.

"These funds are helping to meet critical needs on the reservations", Smith said. "They are providing badly needed jobs now and strengthening the reservation infrastructures for future developments."

Smith noted that the Indian reservations would be receiving additional assistance under the jobs act through the Indian Health Service, HUD, and other Federal agencies.

The \$20 million for natural resource projects includes \$12.5 million for agriculture and range development. These funds will be used for erosion control, fencing, brush and weed control, cattle guard construction, livestock water systems and related tasks.

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United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

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IN REPLY REFER TO:

BUREAU OF INDIAN AFFAIRS

For Release May 6, 1983

LOVETT 202/343/7445

BIA REALIGNMENT PROPOSAL SENT TO TRIBES FOR REVIEW

A Bureau of Indian Affairs concept paper on reducing costs at the central office and area office levels by consolidating administrative functions and making other changes has been sent to Indian leaders for review and counsel, Interior Assistant Secretary Ken Smith said today.

The concept paper on "streamlining the Bureau of Indian Affairs" has been sent to nine tribal leaders, appointed by NTCA and NCAI in March to function as an Indian Policy Review Team for Smith and Interior Secretary James Watt.

The concept paper was also sent to BIA area directors with instructions that it be distributed to every tribe within their areas.

Smith's instruction to the area directors states: "The consultation process on the option that is being proposed in the paper must begin as soon as possible". He added that when the area directors meet with the central office to prepare for the detailed work on the realignment, the tribes' initial reactions to this proposal should be brought along. The proposal submitted to the tribal leaders includes the following:

1) Merging the two Oklahoma area offices into one -- with Oklahoma City as a possible site;

2) Consolidating administrative support services -- such as personnel, budget and financial services -- at five locations;

3) On the Navajo Reservation, consolidating administrative support functions at the area office level;

4) Retaining the existing area offices, except in Oklahoma for program management and technical assistance;

5) Implementing various principles for improved management, such as the transfer of all operating functions to the agency level where economically and legally feasible; elimination of unnecessary paperwork and other wasteful management actions at the central and area levels; and redefining the central and area staff role to that of program review and support rather than supervision of operating programs.

The five locations proposed for administrative support functions are: Aberdeen, South Dakota, serving the Aberdeen and Minneapolis areas; Portland, Oregon, the Portland and Billings, Montana areas; Phoenix, Arizona, the Phoenix and Sacramento areas; Oklahoma City, serving the geographic areas currently served by the Muskogee and Anadarko offices and the Eastern area; and Albuquerque, serving that area and certain central office activities.

The concept paper suggests that the Juneau Area in Alaska and the Navajo area, covering parts of Arizona, New Mexico and Utah, require special consideration. It indicates, however, that probably most of the administrative support for Alaska could eventually be provided from the Portland office. The volume of administrative transactions in the Navajo area, the paper states, "seems to justify the retention of administrative functions at the area".

Members of the Indian Policy Review Team, all tribal leaders, are Phillip Martin, Choctaw of Mississippi; Joe DeLaCruz, Quinault; Wendell Chino, Mescalero Apache; Tony Drennan, Colorado River; Gordon Thayer, Lac Courte Oreilles; Cliff Black, Eskimo; Johnson Meninick, Yakima; Merle Garcia, Acoma Pueblo; and Newton Lamar, Wichita. Martin is the President of the National Tribal Chairmen's Association and DeLaCruz is President of the National Congress of American Indians.

The BIA's 1983 appropriation mandates a reduction of \$8 million in overhead costs in the central office and area offices. A further reduction of \$9.4 million is in the 1984 budget request.

8306



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

IN REPLY REFER TO:

Bureau of Indian Affairs
For Release May 23, 1983

Lovett 202/343-7445

Agreement on Reservation Roads Projects Signed by Agency Officials

Interior's Assistant Secretary for Indian Affairs, Ken Smith, and Federal Highway Administrator Ray A. Barnhart today signed a working agreement on the use of \$375 million of Federal highway funds for Indian reservations.

The agreement outlines procedures for the approval of projects, provision of technical assistance, application of Indian preference in hiring, certification standards and other details.

Under the Surface Transportation Assistance Act of 1982, the Bureau of Indian Affairs is receiving from the Department of Transportation \$75 million in 1983 and \$100 million in each of the next three years for roads construction on Indian reservations. This is the first time that the BIA has received Federal highway funds for use on reservations.

Assistant Secretary Smith said "the \$375 million will generate approximately 10,000 jobs on reservations and will help tribes improve the infrastructure for economic development."

Federal Highway Administrator Barnhart, noting that the Department of Transportation has previously provided technical assistance for reservation roads projects, said: "We are pleased, through this agreement today, to share more fully in the work of building needed roads on the Indian reservations."

The BIA program of projects for 1983 has already been approved by the Federal Highway Administration and the \$75 million received for 1983 will be totally obligated before October 1, 1983.

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DEPARTMENT of the INTERIOR

news release

BUREAU OF INDIAN AFFAIRS
For Release June 28, 1983

Lovett 202/343/7445

FIRST 'SEED MONEY' GRANTS FOR RESERVATION PROJECTS ANNOUNCED

The Cherokee Indian Tribe of Oklahoma and the Suquamish Tribe of Washington are the first recipients of grants awarded by the Bureau of Indian Affairs under a new economic development initiative started this year, Interior Assistant Secretary Ken Smith announced today. The initiative provides federal funding as seed money to attract private sector investments on reservations.

The Cherokees will receive \$125,000 to expand their existing horticulture operation by enlarging the retail garden center, the greenhouse and the nursery. The total project cost will be \$500,000 with the tribe making an in-kind contribution of \$125,000 and a local bank lending the balance of \$250,000.

The Suquamish will receive \$26,500 for an \$106,000 tourism project to complete an exhibition facility that would attract visitors and develop a market for cultural products. The balance of the funding would consist of a grant of \$5,100 from a foundation and a bank loan of \$74,400. The principal attraction at the center will be "The Eyes of Chief Seattle" which has been on exhibit at the Seattle Museum and at Nantes, France. The reservation is within 25 miles of the city of Seattle.

Eligibility criteria for the grants require that at least 75 percent of the funding come from non-federal sources; that a business plan shows a reasonable potential for a profitable, self-sustaining business; and that the tribe has a stable government and has separated project management from tribal politics.

The 1983 appropriation for the Bureau of Indian Affairs provided \$5 million for this initiative.

Applications from nine other tribes for grants are now being reviewed and at least ten other applications are expected to be submitted before September 30.

The maximum grant for any one project is \$500,000 and the minimum is \$25,000.

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DEPARTMENT of the INTERIOR

news release

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BUREAU OF INDIAN AFFAIRS
For Release July 27, 1983

Lovett (202) 343-7445

ADMINISTRATION SUPPORTS TRANSFER OF LAND TO COCHITI PUEBLO

The Reagan Administration has announced support for a bill to transfer title to 25,000 acres of land within Caja del Rio National Forest to the Indians of Cochiti Pueblo in New Mexico.

Interior Assistant Secretary Ken Smith, testifying before the House Interior and Insular Affairs Committee July 26, said the land had been fraudulently taken from the Pueblo in the early 19th century and failure to return it to its rightful owners would be a grave injustice.

The land has "considerable symbolic, religious and economic significance to the Pueblo," Smith said.

Smith said that Interior Secretary James Watt strongly supported the bill, H.R. 3259. He commended Watt for working closely with the Administration to initiate return of the land to the Cochiti Pueblo.

The Cochiti's claim to the land is based on a 1744 purchase of the land from a Spanish grantee. The Indians were deprived of the 25,000-acre tract by a fraudulent conveyance in 1805. A Spanish colonial court subsequently declared this 1805 conveyance void -- but that court order was lost and the document not uncovered until 1979. U.S. courts, in the meantime, had denied the Cochiti claim, foreclosing the possibility of correcting the title through the court system.

Assistant Secretary Smith, in a May 13 briefing paper to Secretary Watt, said: "It is clear that the loss of this land in the past has been a grave injustice to the Pueblo de Cochiti. By the 1848 Treaty of Guadalupe Hidalgo, the United States was obligated to respect and protect vested Indian property rights. Had the recently-discovered Spanish Colonial Court decree been available at the time the question of the Pueblo's title was pending in courts of the United States, the Pueblo's title to the Santa Cruz Spring Tract would almost certainly have been confirmed."

(more)

The legislation expressly limits future use of the land to its present uses and specifically grants access through the land to existing recreational areas.

INT 3100-83



DEPARTMENT of the INTERIOR

news release

8310

Bureau of Indian Affairs
For Release August 3, 1983

SHAW 202/343-4576

Indian Leaders Asked to Correct Fiscal Problems

Ken Smith, Interior Assistant Secretary for Indian Affairs, today announced a "major initiative to bring a high level of fiscal accountability to both Indian tribes and the Bureau of Indian Affairs."

In a letter to tribal leaders across the nation Smith noted that he has received more than 150 audit reports from the Interior Inspector General in the past two years which have identified weaknesses or abuses in tribal or local BIA financial management procedures.

"Too often in the past," Smith said, "problems in either the Bureau or tribal administrations have been identified and then, apparently, ignored. I have advised BIA officials that I will not tolerate such non-responses."

Smith said waste or wrongful use of federal funds in any "Bureau or tribally-operated program has an impact on all Indian programs. Pressure is created to cut back or halt funding across the board for all Indian programs."

In his letter to tribal leaders, Smith identified the kinds of assistance provided by the BIA to help tribal governments develop effective administrative systems and avoid the kinds of problems identified in the past by the Inspector General. Included were self-evaluation process for the tribes; a project to help small tribes develop basic management capabilities; and a program to give tribes on-site technical assistance for their accounting systems, payrolls and other administrative functions.

Smith emphasized the need for a good annual audit for every tribe. "I know of no management tool that is more useful or beneficial." He said the audits would help tribes to identify problems and develop solutions for them. He added that they would be useful also in dealing with Congress and the Office of Management and Budget.

The Inspector General's office, Smith said, planned to expend 15 staff years in FY 1984 to audit tribes with indicated problems.

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INT 3156-83
JUL 11 1983



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

JUL 26 1983

Dear Tribal Leader:

In the past two years, approximately 150 audit reports from the Inspector General's Office on Indian programs have come to my office for our attention and response. Some of these audits dealt with BIA operations and programs; others were about tribal administration of federal funds. Some of the audits were done as part of a regular cycle of review; some were requested by BIA or tribal officials and others were initiated because of obvious problems in the program operations. The same kind of scrutiny is given to the programs of other Bureaus and Agencies within Interior and throughout the government.

A few of the audits reported that Indian programs were going well; most of them, however, identified weaknesses or abuses and called for corrective actions.

The Inspector General's Office provides a valuable service to the Bureau and to Indian tribes in making these audits. Clearly, however, the value of the audits is lost if no corrective action or response occurs. Too often in the past, problems in either Bureau or tribal administrations have been identified and then, apparently, ignored. I have advised BIA officials that I will not tolerate such non-responses.

My principal concern in this letter to you today is to make you aware of the work of the Inspector General in helping us to eliminate abuses and misuses of Federal funds in Indian programs and the need for all of us to actively cooperate in that work.

You must be aware that publicity about the waste or wrongful use of Indian funds in any Bureau or tribally-operated program has an impact on all Indian programs. Pressure is created to cut back or halt funding across the board for all Indian programs.

Just this week, I received a newspaper clipping of an editorial in a midwest newspaper complaining about the lack of accountability for federal Indian funds. The editorial said:

"The U.S. government, in typical fashion, throws chunks of money their way, but does a lousy job of keeping track of that money and whether it is truly helping the Indians". The editorial cited a General Accounting Office report that charged BIA with allowing tribes to use federal funds irresponsibly. The editorial concluded: "It is perhaps admirable for our national leaders to have nice sentiments about the Indians. But, to truly help the Indian people, we should insist that our government untangle its administration of Indian funding".

However right or wrong an editorial or news report about the abuse of federal funds for Indian programs may be, such publicity hurts Indian people.

The Inspector General's reports are designed to help us, but they can hurt us if we do not act on their recommendations.

We know there are improvements that need to be made in programs directly operated by BIA. We are working on these.

For example, the Inspector General has committed five staff years of effort to review the Individual Indian Money (IIM) Account System at three area offices and at the central office. That effort has assisted us as we proceed with improvements underway in IIM management.

Another identified area of concentration for FY 1984 is BIA's procurement function. We want to insure that the dollars available for Indian programs are more effectively utilized. The Inspector General has completed audits at two area offices and questionable practices were identified. Two more audits are now in process and nine staff years of resources are committed to review nine additional locations.

To assist tribal governments to develop effective administrative systems, and thus avoid the kinds of problems identified in the past by the Inspector General, we have initiated several actions.

- 1) The BIA has helped 220 tribes to complete self-evaluations which identified tribal administrative needs. Those areas in which tribes indicated the most need for assistance were: planning and control; monitoring and evaluation; and property management.
- 2) Through our Tribal Administrative and Accounting Services (TAAS) division, the BIA has been providing on-site technical assistance to tribes in selected situations. This has included analyzing accounting systems, redesigning payroll systems, reviewing school imprest funds, and automated accounting systems.
- 3) We established the Small Tribe Core Management Program to assist the smaller tribes develop fundamental management capabilities, including needed accountability functions.

These programs will continue in 1984, with a planned expansion of the range of expertise available through TAAS. We will also be: a) developing models of various administrative systems; b) exploring the feasibility of using private sector service organizations to provide technical assistance; and c) exploring with groups of small tribes the feasibility of receiving their accounting service from a single accounting firm.

Another matter of concern has been the spiraling administrative costs incurred by tribes in their operation of programs under contracts. According to an analysis completed just recently by the Inspector General, administrative costs for 81 tribes included in the study increased by 47 percent over the past five years while direct program costs increased by only 2.4 percent. We realize there are many reasons for the disparity in these figures -- and that many of the factors are uncontrollable. We believe that some steps can be taken to keep this trend more under control.

We also realize that almost all federal regulations are written for relatively large communities of people -- states, counties, cities. Large tribes can usually cope with these regulations, but they create problems for small tribes. The BIA will review its regulations and seek ways to provide relief for smaller tribes.

Let me emphasize the importance and value of a good, solid annual audit. I know of no management tool that is more useful or beneficial. You realize, I know, that you cannot intelligently manage tribal assets and programs if you do not have accurate, informative records showing how you use your money. You must also be aware that the availability of federal funds in the future will be substantially affected by the ability of tribes to demonstrate that funds were properly used. Every tribe should have an annual audit on its total operation -- both tribal and federal -- by a certified public accountant. Many of you do. These audits help you to identify problems and to develop solutions for them. They will also help to improve the atmosphere in dealing with the Congress, Office of Management and Budget and other Federal agencies. It is also the first thing that any financial institution will ask you for when you talk about financing for your tribal enterprises.

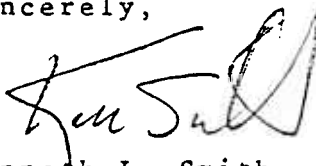
The Inspector General has committed 15 staff years in FY 1984 to audit tribes with indicated problems. The tribes involved in these audits should be committed to do what is necessary to correct problems or deficiencies identified. The Bureau will give you all assistance possible to help you do this. All tribes should similarly use the audits and the contract monitoring activities of the Bureau as means for improving management to more effectively use both tribal and federal funds.

We are continuing our efforts to improve the management and administration of BIA programs -- and we realize there is still much to be accomplished. We are determined that needed changes will be made and we will welcome any assistance offered by the tribes and the Inspector General.

What all of this adds up to is that BIA and the tribes have weaknesses. We are all in this together; let's address them together. All programs -- federal and tribal -- suffer when there is a lack of accountability. The trend throughout the Federal Government in all programs is to assure that all funds are properly accounted for, that funds are spent for the purposes appropriated, and that waste and abuse are avoided. The requirements of this administration for accountability are going to be more stringent for all Federal programs, and we must be prepared to meet these standards.

I look forward to working with you in the task we have ahead of us. I know together we can do it.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Ken Smith', with a stylized flourish at the end.

Kenneth L. Smith
Assistant Secretary - Indian Affairs



DEPARTMENT of the INTERIOR

news release

BUREAU OF INDIAN AFFAIRS
For Release September 8, 1983

Lovett (202) 343-7445

TOP BIA OFFICIAL TO FOCUS ON FUND MANAGEMENT REFORMS, IMPROVEMENTS

Interior's Assistant Secretary for Indian Affairs Ken Smith has assigned Charles Hughes the Bureau of Indian Affairs' top financial official, to full time implementation of reforms and improvements which were initiated in the past year in the BIA's management of finances and trust funds

"The scope depth and importance of the efforts and their stage of development now require that these projects receive concentrated attention from all affected Bureau employees including my own office" Smith said.

In a memo to BIA central office directors and area directors, Smith said the new projects that Hughes will be working on include:

- * Redesigning the finance system on an accelerated scheduled;

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* Trust fund management, including a review of investments and reconciliation of accounts;

* Voucher processing, streamlining existing procedures and implementing a new automatic system;

* Debt collection and correction of accounts receivable records;

* Implementation in 1984, one year ahead of schedule, of a system for planning and reporting program accomplishments; and

* Achieving the Office of Personnel Management's 30-day processing time for retirement papers.

Smith said active participation by all levels of BIA would be required because the efforts involve operations and activities under the control of line officers throughout the Bureau. "The Deputy Assistant Secretary ... and I will be apprised regularly of progress and problems in each of the initiatives," he added.

Smith had previously informed Indian tribal leaders, in a July 26 letter, that the tribes needed "to develop effective administrative systems" for the management of both tribal and federal funds. He said that inadequate accountability, the abuse or misuse of funds and other deficiencies identified by the Interior Inspector General created pressures to cut back funding for Indian programs.

Smith told the tribal leaders that he had initiated actions to correct problems within the BIA.

Some other management efforts in 1984, Smith said, will include a review of the method used for distributing the BIA funds and a study of alternatives; completion of a plan for assessing national charges against operating offices, and development for the Office of Management and Budget and the Department of a number of special studies related to the 1985 budget.

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BUREAU OF INDIAN AFFAIRS
For Release _____

LOVETT (202) 343-7445

IMPACT OF ALASKA NATIVE SETTLEMENT WILL BE STUDIED

Interior Assistant Secretary Kenneth L. Smith announced today that Management Concepts, Incorporated (MCI) of Falls Church, Virginia has been awarded a \$512,000 contract for a detailed study of the results of the Alaska Native Claims Settlement Act of 1971 (ANCSA).

The Secretary of the Interior, under ANCSA, must report to Congress in 1985 on actions taken to implement the act and the status of Alaska Natives.

The Secretary's report could have a major impact on future Congressional actions affecting the Alaska Natives, including possible modifications of the ANCSA provisions. The study to be done by MCI will provide the background information necessary for a thorough and complete report, Smith said.

In addition, he said, the Secretary and his staff have established good working relationships with the Native leadership and will have developed considerable additional information from many Alaskan sources.

The act created 13 Native regional corporations and a larger number of village and other corporations to receive approximately \$1 billion dollars and 40 million acres of land in full settlement of the Alaska Natives' aboriginal claims in the state.

All restrictions on the sale or alienation of properties received under ANCSA will expire in 1991.

The study to be done by Management Concepts Incorporated must include comparisons of the status of Alaska Natives before and after the implementation of ANCSA. The status of the Native corporations will be reported, including an evaluation of their economic stability and viability, their management capabilities and predictions of future developments.

The contract with MCI requires that problems and issues related to ANCSA be identified and recommendations for solutions provided.

The contract requires MCI to distribute a draft report in May, 1984 to all affected Native groups, the state government and certain other agencies and organizations for review and comment. The final report is due June 30, 1984.

MCI was one of twelve bidders for the contract. The company has done more than 25 research and education projects in Alaska since 1979. Work with American Indian or Alaska Native groups constitutes about 40 percent of the firm's activities.

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United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
WASHINGTON, D.C. 20245

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IN REPLY REFER TO:

Bureau of Indian Affairs
For Release September 8, 1983

Lovett 202/343-7445

Grant for Navajo Agricultural Enterprise Is Approved

Interior Assistant Secretary Ken Smith has approved an economic development grant of \$358,666 to a Navajo tribal enterprise for the expansion of a potato production and processing business

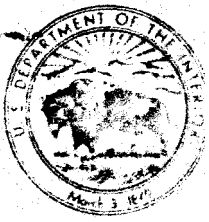
The grant is part of a Bureau of Indian Affairs program to provide "seed money" for the development of profit-making enterprises on Indian reservations. At least 75 percent of the project funds must come from non-federal sources.

The project of the Navajo Agricultural Products Industry (NAPI) will cost approximately \$1.5 million. It will provide additional potato storage facilities, a fresh-pack facility and related equipment. Financing for the project, in addition to the grant, will come from a \$700,000 bank loan and the contribution of equipment by NAPI.

The fresh-pack line will allow NAPI to sort and package potatoes into sizes and grades for specific markets to realize a maximum financial return. Management anticipates that the fresh-pack operations will provide 25-35 additional job opportunities on the reservation.

Grants to eight other tribes have been approved by the Assistant Secretary and other applications are being reviewed. The program, initiated this year, received an appropriation of \$5 million for 1983.

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United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

IN REPLY REFER TO

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For Release September 20, 1983

Lovett 202/343-7445

BIA Official Receives Interior's Distinguished Service Award

Kenneth L. Payton, former deputy director of the Bureau of Indian Affairs' Albuquerque area office, received the Distinguished Service Award of the Department of the Interior today in a ceremony in Washington, D.C.

Interior Secretary James Watt made the presentation to Payton "in recognition of 32 years of outstanding leadership and superior performance in service to the Indian people and the Bureau of Indian Affairs."

Payton, a Cherokee Indian born in Picher, Oklahoma, retired in 1982, after a year in Washington, D.C. serving as the acting deputy assistant secretary and the top official in charge of BIA.

A graduate of Oklahoma State University, Payton joined the Bureau as a soil scientist in 1950. He spent most of his career working with the tribes of New Mexico. He was the superintendent of the Mescalero Apache agency from 1961 till 1966 when he was appointed superintendent of the huge United Pueblos agency.

He was elected by his peers to be the first chairman of BIA's National Superintendents' Committee.

Payton had the reputation of being able to handle difficult situations because he had the ability to get people to work together. He was known as an innovative conservationist and an accomplished administrator.

In the citation received from Secretary Watt, Payton was described as "almost universally liked and admired as decent, caring person whose service always went beyond the requirements of duty."

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United States Department of the Interior

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WASHINGTON, D.C. 20245

Bureau of Indian Affairs
For Release September 20, 1983

Lovett 202/343/7445

Cherokee Historical Association Receives Interior's Public Service Award

Interior Secretary James Watt cited the Cherokee Historical Association of North Carolina for service to the community at the Interior Department's 49th Awards Convocation in Washington D.C., today.

The Public Service Award of the the Department was given to Frank H. Brown, chairman of the Cherokee Historical Association and John A. Crowe, principal chief of the Eastern Band of Cherokee Indians.

The award was for "activities that have perpetuated the history and culture of the Cherokee Indians of North Carolina, strengthened the economy of the Cherokee Indian Reservation and all of western North Carolina, and promoted an appreciation for the natural resource treasures of the Great Smoky Mountains."

The association, started in the late 1940's, has produced an outdoor, historical drama, Unto These Hills, which has been seen by some four million people since its first performance in 1950.

The drama tells the story of the Cherokee hero, Tsali, who gave his life so that a remnant group of Cherokees could remain in their homeland of the Great Smoky Mountains, when most of the Indians from the Southeast were being removed to Oklahoma.

The association also collected Cherokee artifacts and constructed in 1976 a modern museum in which to display them.

The Interior citation notes that the association "has pulled from a dark chapter in American History worthwhile lessons in understanding and cooperation to bring about its unique accomplishments in local and regional community enterprise."

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DEPARTMENT of the INTERIOR

news release

8/31/6

OFFICE OF THE SECRETARY

For Release September 26, 1983

AK-CHIN, INTERIOR SIGN NEW WATER AGREEMENT

Leaders of the Ak-Chin Tribe in Arizona and the Department of the Interior have signed an "agreement in principle" for the revision of legislation designed to assure the Tribe of a permanent water supply, provided in an economically efficient manner, according to William P. Horn, Interior Deputy Under Secretary.

Horn said that revisions in the 1978 Act, which detailed the means to provide the Ak-Chin Reservation with rights to adequate water, are necessary because "problems which have developed in the interim would result in significantly increased costs and reduce the possibility of providing a sufficient and permanent water supply."

The settlement follows more than a year of negotiations with Tribal leaders, Horn said.

The agreement in principle provides:

A permanent water supply for Ak-Chin in 1988.

The means of securing interim water until 1988.

A reduction cost to the United States Government.

Interior Secretary James Watt and the Tribe will be seeking support from both the Congress and Arizona officials to have the agreement codified into new legislation, Horn said.

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IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

8317

Bureau of Indian Affairs
For Release October 14, 1983

Lovett 202/343-7445

Presidential Commission on Indian Reservation Economies Will Meet Oct. 19-20

The first meeting of the Presidential Commission on Indian Reservation Economies will be held in Washington, D.C. October 19-20, Co-Chairmen Robert Robertson and Ross Swimmer announced today.

President Reagan established the Commission in January "to advise the President on what actions should be taken to develop a stronger private sector on federally recognized Indian reservations, lessen tribal dependence on federal monies and programs, and reduce the stifling federal presence in Indian affairs." The President appointed Robertson, Vice President of the Occidental International Corporation in Washington, D.C., and Swimmer, Chief of the Cherokee Nation of Oklahoma and a bank president in Tahlequah, Oklahoma as Co-Chairmen.

The nine members of the Commission, five of them Indians, will be sworn in October 19 at 10 a.m. at the beginning of the meeting in the Columbia Ball Room of the Capitol Holiday Inn, at 6th and C Streets, S.W. The agenda will include a review of studies and information already available, discussion of a workplan for the next few months and initial planning for a series of hearings in the field.

The Commission is expected to complete its work by November 30, 1984.

Roy Sampsel, former Deputy Assistant Secretary for Indian affairs in the Department of the Interior, has been appointed Executive Director for the Commission.

For additional information call Roy Sampsel at 202/343-3107.

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DEPARTMENT of the INTERIOR

news release

8316

OFFICE OF THE SECRETARY

For Release September 26, 1983

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